

its faults in practice, they are nowhere as great as those of the systems it succeeded.

Civilization has developed two methods of meeting the financial vicissitudes of life—individual thrift, and insurance. And it has pretty well determined which risks shall be met each way. Nobody insures his daily food supply, and everybody insures his house against fire. The difference is that the one is averageable and the other is not.

Whoever is able to pay for his food at all can pay for it each day, out of the earnings of that day. He may need insurance against unemployment, which would stop his earnings, but not against inability to buy food while he is earning.

But nobody could pay for rebuilding his house out of his earnings of the day it burned. Neither can he know beforehand how many days he will have, before it burns, to save the price of rebuilding it. It probably will not burn at all, but it may burn tomorrow. It would be as absurd to guard against fire by individual thrift as to provide each day's food by insurance.

Sickness is definitely in the unaverageable class. Its average cost is quite within the means of anybody who is able to pay for his food, clothes, and shelter. But it never comes, as they do, in average amounts. Most years it does not come at all, or comes so little as to be negligible, in cost and loss. But some time, and it may be tomorrow, a disabling illness will come to each person, stopping his earning power at the very time when it increases his expenses. In this respect it is like fire, against which everybody insures, rather than like food, which nobody insures.

Also sickness, unlike fire, is a social problem. If an individual fails to insure his house, its loss affects only him. Or, if it would affect his creditors, they require him to insure it. Voluntary private health insurance, if adequate (which it rarely is) might meet the individual problem of those who take it out. It cannot meet the social problem, since those whom society most needs to have insured are the very ones who do not do it.

Consequently, every civilized nation except the United States has met this social problem by obligatory social health insurance, covering wages as well as medical care, and including in its obligatory feature practically the same groups which in America are already covered by obligatory industrial accident insurance. For others it is voluntary. And those whose incomes would not be stopped by illness, and who already have a reserve to meet it, are naturally not included in its benefits.

This is experience, with the whole world as its laboratory. Since experience has proved it good for the people, the people are going to establish it here, as they have done everywhere else. But it ought to be made good for the doctors, too. If they will coöperate in its establishment, that can be done. If not, they may impose on themselves, in the beginning, the price which some of their short-sighted colleagues at first paid elsewhere.

GOVERNMENT AS GUARDIAN OF HEALTH OF PEOPLE *

IS STATE OBLIGATED TO PROTECT CITIZEN AGAINST DISEASE AND UNEMPLOYMENT AND IN OLD AGE?

"THIS coming winter, according to a promise by President Roosevelt to the American people, 'We may well undertake the task of furthering the security of the citizen and his family through social insurance.'

"When President Roosevelt was Governor of New York he sent for Dr. Thomas Parran, Jr., then with the United States Public Health Service, to head the New York State Commission of Health. Doctor Parran, speaking at the last meeting of the Joint Conference of the American Academy of Political and Social Science and the College of Physicians of Philadelphia, said:

"'Are we to go forward in the coming years, veer left or right? We will not go back. We must assume that in any event we have faith in our capacity to adjust governmental forms to serve the people better than in the immediate past.'

"With the President's proposed social insurance still to be legislated on this winter, it is interesting to go a bit further with Doctor Parran's views.

"'If the current economic revolution leads ahead,' says he, 'to a regulated capitalism, with industrial coöperation under governmental control, then we shall almost certainly see various schemes of social insurance—old age, unemployment, and sickness.'

Millions Treated Free

"In recent months approximately 5,000,000 families, almost 18 per cent of the total population, have been receiving their medical services from public funds. Will these groups insist on continued care and medical treatment? The history of the veteran's benefits provides a possible comparable analogy.

"The average physician now is receiving less than half the annual income he received in 1929. Students paying approximately \$12,000 for their ten years' medical study, earn comparatively little during their first eight years of practice. There are two doctors earning less than \$2,500 a year to every physician earning \$10,000.

"State medicine is no new thing. Europe and the Continent have had socialized medicine for many years. In a study made for the Julius Rosenwald Fund, Dr. E. H. L. Corwin, director of the United Hospital Fund of New York, declares that nowhere is there state medicine except in Soviet Russia, where the state is the sole employer and the sole owner of all capital and where the state provides the medical care for the entire population, and where almost all physicians are employees of the state.

"Doctor Corwin qualifies his view to state that there is no country where the state disclaims all responsibility for the care of the sick. He believes

* This article, which presents some other phases of the health insurance problem, is reprinted from the *United States News* of July 16, 1934.

that the closest nation to state medicine on a socialized form is Holland, where, however, there is no state intervention or even state law regulating the insurance funds of organized physicians and druggists. Almost every Hollander belongs to some mutual insurance fund.

German and English Systems

"In Germany, the sickness insurance companies come under a certain amount of governmental administrative and judicial powers. The state does not contribute anything to the funds.

"In Denmark, according to Doctor Corwin, 'without compulsion, the state feels that it is its duty to provide hospital facilities for the entire population. Nearly all of the Danish physicians practice as salaried employees of the municipalities.'

"England, as early as 1912, established the so-called 'panel system.' Health insurance is made compulsory, and all insurance funds of the lower-salaried classes are administered by the crown. Choice of doctors is permitted, although in the service dispensed confinements and some other medical services are not included.

"Sweden, which approximates Denmark in its state medicine, incidentally has the best hospitals in the world, declares Doctor Corwin.

"Therefore, it will be seen that other than in Soviet Russia, state medicine, strictly speaking, does not exist. Surveys made show that in many European countries the care of the sick is below that of our own communities.

Hospital Care Here

"The American Medical Association provides statistics showing that in the United States, 63.8 per cent of the 955,869 hospital beds are Government owned, i. e., either by the nation, states, county or city. The American Medical Association, in citing the advancement of Federal and state owned hospitals, believes that 'one may view it as a preparatory step in a civic duty in the matter of chronic cases where family financial support fails; or may view it as a preparatory step in a policy of unlimited expansion whose ultimate goal is state medicine.'

"Doctor Parran believes that as traditional forms of medical practice are abandoned it will be wise to look to the program that the British have set up.

"If, through evolution or revolution, we find ourselves to the extreme left and part of a socialist state tomorrow,' he says, 'then we doctors, too, will be socialists. Or, if we are not, our successors will be. State medicine will exist in the sense that the state will operate medical and health services in a manner comparable to our present system of public education.' The medical recommendations contained in the platform of the British Labor Party give at least a rough idea of what that would be like. Or, if we recognize obvious differences in the level of medicine here and in Russia at the beginning of the World War, we may find some suggestions in the medical organization of that country."

THE LURE OF MEDICAL HISTORY*

THE TUBERCULOSIS MOVEMENT IN CALIFORNIA†

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I

FOR nearly a century the control of tuberculosis has been a major problem in this state. On the twenty-second of April, 1934, sixty-four years elapsed since the California State Board of Health held its first meeting. Only one year before that, the first state board of health in the nation was formed in Massachusetts. The California Tuberculosis Association is in its thirty-fourth year. The Bureau of Tuberculosis of the State Board of Health, one of the first formed in the country, will soon be twenty years old. It is fitting, therefore, from time to time to cast up our accounts, audit them, chalk up our successes and failures, and chart our future course. Let us first examine our assets with care, that we may take the utmost advantage of them.

I. SOME 1934 ASSETS

An Enlightened Medical Profession.—In California, as in most communities, the medical profession has taken the lead in the battle against tuberculosis. There are men here today who took a leading part in the early medical discussions concerning tuberculosis in this state. There are others, but one generation removed, whose wisdom and foresight in planning and directing this movement was prophetic. In 1871, Dr. Henry Gibbons, then president of the California State Board of Health, stated that doubtless a great number dying here of tuberculosis had brought the *germs* of the disease with them. This, eleven years before Koch's announcement!

True to the conservative traditions of medicine, these men and their successors have acted slowly, exchanging opinions, gathering data, and studying the problem from all angles. Once these medical leaders had decided what was best to do, their determination was equal to their earlier conservatism. Largely as a result of their initiative, under the sponsorship of a special State Tuberculosis Commission, the county sanatorium subsidy bill was finally passed and the State Bureau of Tuberculosis was created in 1915.

The California Tuberculosis Commission came into being through an act passed by the California Legislature. Its report (State Printing Office File, No. 13387) was compiled by its Executive Committee, consisting of Dr. George H. Kress, Los Angeles, chairman; Dr. Charles C. Browning, Los

*A Twenty-Five Years Ago column, made up of excerpts from the official journal of the California Medical Association of twenty-five years ago, is printed in each issue of CALIFORNIA AND WESTERN MEDICINE. The column is one of the regular features of the Miscellany Department of CALIFORNIA AND WESTERN MEDICINE, and its page number will be found on the front cover index.

† From the division of the Pacific Coast Welfare Division, Metropolitan Life Insurance Company, San Francisco.

‡ Presented at the annual meeting of the California Tuberculosis Association at Fresno, April 6, 1934.